



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Price Field Office
125 South 600 West
Price, Utah 84501

Pam Grubbs Little

3482
UTU-74804
(UT-070)

CERTIFIED MAIL - RETURN RECEIPT REQUESTED
Certified No. Z 182 430 780

Mr. David B. Miller
Lodestar Energy, Inc.
HC 35 Box 370
Helper, Utah 84526

APR 21 2000
Copy Sharon
ACT 1007/2020
Becoming

Re: Resource Recovery and Protection Plan (R2P2) Horizon Mine, Lodestar Energy, Inc.,
November 4, 1999

Dear Mr. Miller:

On November 4, 1999, the Bureau of Land Management (BLM) received Lodestar Energy, Inc.'s Resource Recovery Protection Plan (R2P2) for the Horizon Mine. This letter is to notify you that the BLM has completed our review of Lodestar Energy, Inc.'s R2P2 regarding the Horizon Mine. The purpose of our review is to determine compliance with The Mineral Leasing Act of 1920, as amended; the regulations at 43CFR 3480; the lease terms and conditions and to ensure that maximum economic recovery (MER) will be achieved.

Our determination of the subject R2P2 is as follows:

- ◆ Due to conflicting geologic information, reserves north of the NW-SE trending geologic feature have not been removed from the recoverable reserve base.
- ◆ Recoverable coal reserves for UTU-74804 are 6,295,700 as determined by the May 12, 1998 Engineering and Geologic Report.
- ◆ The actual sequencing and initial date of commencement of mining operations on UTU-74804 will probably change. Once all the permits are in place, a revised sequence and timing map will need to be submitted to the BLM.

Based upon the above-stated requirements, BLM determination is conditioned with the following stipulation:

Stipulation : Horizon shall submit the following information (as requested above):

- An updated mine plan that details mining sequencing and any other changes will be submitted when all permits are in place, but prior to commencement of operations on the Federal lease.


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DIVISION OF
OIL, GAS AND MINING

BLM has determined that the information contained in the R2P2 for the Horizon Mine with stipulation, does comply with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480 and the lease terms and stipulations. Thus, approval for the Horizon Mine's R2P2 is granted. If you have any questions, please contact Jay Marshall at the Price Field Office at (435) 636-3614.

Sincerely,


Field Manager

cc: UT-921, SD, Utah
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355 West North Temple Street
3 Triad Center Ste.350
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